Approved For Release 2007/12/28: CIA-RDP79M00467A003100110008-8 Justive Registry

NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

July 12, 1974

SECRET/SENSITIVE/NODIS

MEMORANDUM FOR

The Deputy Secretary of State The Deputy Secretary of Defense The Chairman, Joint Chiefs of Staff The Director of Central Intelligence

SUBJECT:

WSAG Discussion Paper

Attached for your information and retention is a copy of the paper prepared by the WSAG Working Group which will be discussed at the WSAG meeting to be held at 10:00 a.m. on Wednesday, July 17, 1974.

NSC review completed - may be declassified in

part

Jeanne W. Davis Staff Secretary

Attachment

SECRET/SENSITIVE/NODIS

(EXECUTIVE REGISTRY FRE

WSA J Whithous

State Dept. review completed

SECRET/NODIS/SENSITIVE

SUBJECT: North Vietnamese Strategy in Indochina - Proposed

Counter-strategy

North Vietnamese Strategy

Since the signing of the Paris Accords in January, 1973, Hanoi has continued to pursue a strategy designed to secure eventual North Vietnamese hegemony over the states of former French Indo-China while adapting its tactics to the new situation created by a reduced U.S. military role in the region and to the differing politico/military conditions in South Vietnam, Cambodia and Laos.

In South Vietnam the political strength of the Thieu Government and the generally effective performance of ARVN backed by continued high levels of U.S. military and economic assistance, has apparently convinced the North Vietnamese that the time is not ripe for a general offensive. They have opted for a program of sustained military pressure in the South with the objective of consolidating and where possible expanding communist control of their base areas and LOC's, disrupting GVN administrative control and services in other areas, aggravating the Thieu Government's severe economic problems and preventing peaceful development of South Vietnam. evident assumption is that these tactics will undermine the position of the Thieu Government and either generate the kind of political instability that will lead to compromise favorable to the communist side, or weaken ARVN morale and effectiveness to the point where communist military victory is again possible.

In Cambodia the North Vietnamese doubtless attach the highest priority to their sanctuary areas near the South Vietnamese border and to unimpeded use of their LOC's leading to and from these sanctuaries. They appear to have maintained tight control over resupply to the Khmer communists, using it as much to gain leverage on the KC as to increase KC leverage on the Lon Nol Government. In general, Hanoi seems content to permit the fighting to continue inconclusively in Cambodia. While a political settlement along Lao lines might be acceptable to Hanoi, the DRV leadership is in no hurry and may believe that the longer they wait the easier it will be to dominate whatever coalition emerges from negotiations among the Khmer.

In Laos the North Vietnamese have consolidated their control over areas of the eastern Panhandle essential to their unimpeded access to South Vietnam and Cambodia, and

SECRET/NODIS/SENSTIVE

have maintained forces in North Laos strong enough to assure them continued leverage on the Pathet Lao and on the PGNU in Vientiane. Since the formation of the PGNU in April, 1974, Hanoi seems to have kept the Pathet Lao on a short leash while working to exploit the disorganization of the non-communist Lao and assure the Lao communists a dominant position in the coalition government.

In all three Indo-Chinese states, therefore, the North Vietnamese are seeking to increase their influence and to test both the quality of indigenous resistance to their probes and the extent of U.S. reaction to them. We believe that in this period of testing it is important for the U.S. to express as clearly as possible with the means available to us our strong and continued interest in a stable balance of power in Indo-China which will reinforce rather than threaten the larger east Asian equilibrium we are working to develop. This means an Indo-China in which North Vietnam plays a role commensurate with its population and resources, but not an Indo-China whose population and resources are exploited by North Vietnam to achieve a destabilizing predominance. We further believe that the U.S. has enough resources and influence in the area to deter North Vietnamese ambitions without upping the stakes or reengaging our power in ways inconsistent with the Nixon Doctrine and the will of Congress.

Proposed Countermeasures

The critical element of any U.S. effort to counter the North Vietnamese strategy in Indo-China is the continued existence of a deployable and combat-effective U.S. military presence in the region (which in spite of Congressional inhibitions on use, remains a strong psychological deterrent) and the continuation of adequate military and economic aid. In Vietnam and Cambodia this means a level of assistance sufficient to meet the military threat and to contain its economic consequences.

In Laos the level of military and economic assistance must be sufficient to give the U.S. leverage on the coalition government and a means of stiffening the spines of the non-communists in that government. Based on a substantial number of conversations with Pathet Lao members of the government, it appears that the Pathet Lao, at least for the time being, do not want confrontation with us in Vientiane, or the collapse of the coalition government. It is likely that in the short term, Hanoi will encourage the Pathet Lao to acquire greater

SECRET/NODIS/SENSITIVE

2.

SECRET/NODIS/SENSITIVE

3.

power by salami tactics within the coalition rather than to provoke the kind of collapse that would undercut communist arguments for coalition government elsewhere in Indo-China.

Assuming that neither our regional military presence nor our military and economic aid program will be reduced to levels that require a scaling down of U.S. policy objectives, the following are actions that we believe need consideration by the WSAG:

LAOS

Laos is the focus of additional countermeasures. The emphasis must be on shoring up Souvanna Phouma, himself, as the keystone of the agreement and current government, as well as his supporters in the coalition government. For the most part, Souvanna is deliberately eschewing active political leadership of the Vientiane, or non-communist, side in favor of a mediatory role above the fray. This is understandable, but risks creating a leadership vacuum among the noncommunist Lao. In the circumstances, we must continue both to manifest our support for Souvanna generally and assist and encourage the non-communist Lao to devise an effective counterweight with which to offset the LPF and reveal the misconduct of their Hanoi mentors. Through these efforts, we will try to help make the negotiated settlement work. In these efforts, we will seek to enlist the assistance of other countries whose interests are involved:

25X1



25X1

5.

- A. Secretary's Statement A public peg to provide the basis for additional publicity. A statement for Secretary Kissinger regarding the current situation in Laos at the annex could provide this peg.
- B. The British The British in Vientiane have been speaking to the Pathet Lao, particularly regarding the North Vietnamese presence. It would be most useful if the British as co-chairman could address themselves publicly to the continuing NVA presence in Laos and continue privately to pressure the Pathet Lao Ministers to be more flexible.
- C. France The new French government appears more Asian-oriented than its predecessor and it may be more interested in pursuing our common interests in Indo-China. We note that there is a new chief of the French military mission and that the French are increasing the number of their military personnel in Laos. Vientiane will be approaching the Ambassador and new military chief to gain their views on efforts the French could take, possibly along the lines of the Secretary's statement and possibly directly with the Pathet Lao leaders themselves.
- D. Japan The Japanese interest in increasing influence throughout the region and gaining access to mineral deposits within Laos should provide the basis for increased Japanese efforts. We should urge them at a senior level in Tokyo to speak frankly to the Pathet Lao regarding the value to Laos of the pursuit of more moderate policies.
- for the President to use in his conversations with Brezhnev during the upcoming bilaterals in Moscow which encourage the Soviet Union to press the Pathet Lao to moderate their positions and call on the Soviets to both provide economic assistance and encourage economic assistance from other countries.
- F. PRC Discuss with the PRC the need to assure the implementation of the Lao Agreement as one element of restraint on undue North Vietnamese expansion and influence in Southeast Asia.
- G. ICC The withdrawal of the Canadians from the ICC puts the non-communists at a disadvantage in Laos. The current two-headed ICC (Poland and India) is liable to be slanted toward the interests of the Pathet Lao. It might be possible to make an approach to the new Government of Canada to reverse the decision, or, failing that, to

SECRET/NODIS/SENSITIVE

place a Charge in Vientiane who might be capable of responding in some way to Canada's continuing ICC obligations.

In this same regard, we have discussed with the Indian Embassy in Washington our concern about the special obligation imposed on the Indians by the Canadian withdrawal to assure that ICC operations be both even-handed and effective. Similar approaches could be made in New Delhi and Vientiane.

5. If the foregoing political and diplomatic moves do not produce the desired result, we should consider more direct signals to communicate our concern to the Lao and Vientiane communists, such as an increase in recce flights in the eastern Panhandle or in North Laos. This signal could be reinforced through the bilateral and/or intelligence channels.

CAMBODIA

The countermeasures affecting Cambodia will complement those of Laos. In the short-term they should be designed to strengthen the position of the GKR and weaken that of the Khmer communists. In the longer term they should aim at the initiation of negotiations among the Khmer factions under conditions as favorable as possible to the GKR. In the short-term we should:

25X1

- 4. Support the travel of Cambodian Buddhists and Muslims to countries of those religious pursuits on behalf of the GKR UN seat.
- 5. Ensure the USSR is aware of our firm resolve in Cambodia. Ambassador Stoessel has already received instructions along these lines. Talking points along the same lines have also been prepared for the U.S.-Soviet bilaterals.

✓ SECRET/NODIS/SENSITIVE ✓

Our longer term recommendations are based on the assumption that it is in GKR and U.S. interests to begin negotiations for a political settlement in Cambodia this year. In reviewing the situation in Cambodia, we conclude that the Khmer communists enter the current rainy season having failed to achieve any of their principal objectives: capture of Phnom Penh, collapse of the Lon Nol Government, interdiction of the Mekong or occupation of provincial capitals. Assuming continued levels of economic and military assistance sufficient to prevent the GKR's defeat in the coming year, the Khmer communists cannot expect that their situation on the ground will be significantly stronger next year than it is now and may be prepared to recognize that there is a military stalemate which neither side is strong enough to alter significantly to its advantage. While the Khmer communists and North Vietnamese have shown no interest thus far in negotiations, we have noted Ambassador Bruce's belief that the Chinese would like to see progress toward a political settlement. We think the ground should be tested in Peking and that the following action plan should be considered by the WSAG:

- 1. Put together a negotiating package which contains the outline of what we would regard as an acceptable political settlement of the Cambodian conflict. Work on this should begin in July.
- 2. When this package has been approved by the WSAG, the PRC should be approached confidentially at a senior level. At this meeting, without revealing the contents of the negotiating package, we should express our interest in encouraging direct talks between the GKR, Sihanouk and the Khmer communists. We should seek the cooperation of the Chinese in persuading the latter to begin talks with a designated representative or delegation of the GKR without preconditions.
- 3. While the timing of this initiative will be affected by events in Cambodia and our general appraisal of the situation, we believe that it would be desirable to move before the Khmer credentials debate in the General Assembly which will occur sometime between October and December.

SOUTH VIETNAM

1. Reiterate to President Thieu that he has full U.S. political and diplomatic support (this is to counteract stories recently fed to him by some of his entourage that the U.S.

	SECRET/	NODIS/	SENSITIVE
--	---------	--------	-----------

8.

25X1

is supporting dissident opposition groups within South Vietnam against him).

2. Should the increased level of fighting continue through the summer, consider demonstrating continued U.S. active support for the GVN by such means as an airlift of selected and urgently needed items of military equipment, or moving a carrier back to Yankee Station for a limited time.

THAILAND	a		

3. Encourage the Thai to upgrade their embassy in Vientiane (this may be already in the process with the assignment of a senior Thai military officer as "Special Assistant to the Ambassador"). The previous ineffectual Ambassador has been withdrawn.

Longer Range Considerations

25X1

25X1

25X1

		1. Consider using existing channels to the DRV				
either	to	underscore U.S. policy intentions or				
•						

Approved For Release 2007/12/28: CIA-RDP79M00467A003100110008-8

SECRET/NODIS/SENSITIVE

ANNEX

Statement by The Secretary:

The Current Situation in Laos

I have seen press reports suggesting that in some manner the Pathet Lao have taken control of or have gained dominance over the recently formed coalition government in Laos. We are following events in Laos closely and are concerned about the failure of the North Vietnamese to withdraw their troops from Laos, the continued detention of the American civilian Emmett Kay and other indications of communist inflexibility. I believe, however, that it is too early to judge the balance in this government or to make final conclusions as to its future. We have supported the efforts to achieve a coalition government and are continuing to support it, even though we were and are aware of the difficulties of making such a coalition work. We continue our support not only in hopes that the Lao effort in itself may be successful, but because the effort is only part of the larger movement toward detente which continues worldwide. We are watching how the other side cooperates in the effort in Laos because the success of the coalition there bears on issues beyond Laos and Southeast Asia.



DEPARTMENT OF STATE

Washington, D.C. 20520

June 20, 1974

SECRET/NODIS

NSC review completed - unredacted segments may be declassified M

TO:

EA - Monteagle Stearns

FROM:

EA/L - Ambassador Whitehouse

SUBJECT:

Communist Strategy in Indochina - Proposed

Counterstrategy

Before returning to Vientiane I believe I should give you my views on the paper which is being prepared regarding measures which might be taken in Laos to counter communist activity there. As you are aware, I am convinced that the Pathet Lao will inevitably play a leading but hopefully not a militantly revolutionary role in Lao affairs. Atlhough there are some aspects of the current situation which give us all grounds for concern, there are also significant indicators of Pathet Lao restraint on matters which affect their relations with the US. I believe it must be our objective to seek to bring about a relatively balanced neutrality which will permit our country to participate in Lao affairs in a manner which will prevent domination of Laos by North Vietnam. In this endeavor I believe we can be assisted to a degree by other countries including the Soviet Union whose interests are served by a situation in which various foreign powers counterbalance each other's influence. Furthermore, I believe that with the passage of time the Pathet Lao will become less concerned over the imagined US threat to their country and will recognize the very great dependence of their country on US, Japanese and other western assistance.

25X1

25X1

however, over the possibility that actions will be

SECRET/NODIS GDS

SECRET/NODIS

taken in various capitals to underscore the importance we attach to even-handed neutrality in Laos. The UK has already been active and helpful in this regard, but it would be most helpful if the Japanese, Indians, Scandinavians, French and the ASEAN countries could be prevailed upon to take diplomatic actions to help assure an international balance in Laotian affairs. Obviously, the most effective channel to the Pathet Lao is the one through Peking. In my opinion, the Soviet Ambassador in Vientiane understands the situation very clearly and within the limits of Soviet doctrine is exercising his influence to reduce Pathet Lao militancy and paranoia. A Chinese ambassador is expected to arrive in Vientiane shortly and it would be helpful if I could be authorized to attempt to establish a dialogue with him when he arrives.

While I recognize that it is no one's intention to return to 1962, any steps we take to help establish the balanced neutrality we seek in Laos must be taken in a manner which does not link us to the corrupt reactionary officers from Southern Laos who have been the pillars of the anticommunist establishment in the past. At this stage, I very much doubt that any Lao political figures need to be bribed to take actions which are very clearly in their national as well as their personal interest. The game we are playing is not one which requires the marshalling of resources. Lao politics are not conducted on the basis of broadly based political parties, nor do we need new channels through which the views of our friends can be made known. The need for political slush funds is therefore minimal.

The achievement of our objectives in Laos can be immediately thwarted if the Pathet Lao are led to believe that we are implacably hostile toward them and towards the role that they must inevitably play in the coalition. We must continue to express our views to them firmly and forcefully but I am profoundly convinced that patience, moderation, and even-handedness on our part and the discreet intervention of like-minded countries can temper their militancy and that with the passage of time they will recognize that it is to their own best interests to maintain correct relations with us and to rely on the US as a counterweight against the other powers which have traditionally preyed on the kingdom.

SECRET/NODIS

SECRET/NODIS

3

The foregoing comments are addressed to the situation in Laos and this memorandum does not touch on North Vietnamese objectives or the steps which might be taken to thwart them. From the perspective of Vientiane we are inclined to believe that North Vietnam is satisfied with the status quo and that while it hopes the coalition government to be as "fraternal" as possible it, nevertheless; recognizes that maintaining Laos as a buffer state implies the maintenance of other foreign influence there and that Laos must have relations with the West which will permit it to receive the largescale aid it requires. With the US presence in Thailand as a deterent to renewed NVA military activity in Laos, and with reminders to North Vietnam through appropriate channels of the importance we and other countries attach to Lao neutrality, it should be possible for Prime Minister Souvanna Phouma and the non-communists to establish the equilibrium which is in our and the Lao's best interest.

EA/L: Amb. Whitehouse/fmt